

II B. Tech I Semester Supplementary Examinations, October/November - 2019
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(Com. to ME, ECE, CSE, IT, ECC, MTE)

Time: 3 hours

Max. Marks: 70

- Note: 1. Question Paper consists of two parts (**Part-A** and **Part-B**)
 2. Answer **ALL** the question in **Part-A**
 3. Answer any **THREE** Questions from **Part-B**

PART -A

1. a) Discuss scope of Managerial Economics. (3M)
- b) What are the assumptions for applications of law of variable proportions? (4M)
- c) Differentiate between Monopolistic competition and perfect competition. (4M)
- d) Define partnership. Explain different types of partnership. (4M)
- e) Explain the types of financial statements. (3M)
- f) Explain two classifications of decisions in capital budgeting. (4M)

PART -B

2. a) List and explain different kinds of Elasticity of demand. (8M)
- b) Explain Point method and Arc method for measuring elasticity. (8M)
3. A manufacturer sells his product at Rs. 5 each. Variable costs are Rs.2 per unit and the fixed costs amount to Rs. 60,000. (16M)
 - i) Calculate the break-even point.
 - ii) What would be the profit if the firm sells 30,000 units?
 - iii) What would be the BEP if the firm spends Rs.3,000 on advertising?
 - iv) How much should be the manufacturer sell to make a profit of Rs.30,000 after spending Rs.3,000 for advertisement?
4. a) Define Market and explain how markets are classified? (6M)
- b) Explain Marri's Managerial theory of firm in detail. (10M)
5. Define public enterprises. Explain the recent achievements of public enterprises. (16M)
6. Give a brief account on the important records of Accounting under Double entry system and discuss briefly the scope of each. (16M)
7. Discuss traditional methods of capital budgeting with examples. (16M)